

FINANCIAL HIGHLIGHTS

Net property income up 3.8% to €148.1 million
 (2018: €142.6 million)

Distributable earnings up 9.6% to
 €105.5 million (2018: €96.3 million)

Distributable income per share up 0.2%
 to €11.62 cents (2018: €11.60 cents) in line
 with guidance

Oversubscribed equity raise of €90 million

LTV declined to 50% in line with deleveraging
 strategy (2018: 51.9%)

Cost of debt 2.5% (2018: 2.3%)

Successfully executed acquisitions of over €200 million

NAV per share €1.32 (2018: €1.35)

OPERATIONAL HIGHLIGHTS

RETAIL

Successful opening of Galeria Młociny – first
 flagship asset located in Warsaw with over 75 000 m²
 of retail space

Successful addition of over 200 000 m² GLA of quality
 retail space, total portfolio over 900 000 m²

Occupancy 99.5% (2018: 99.6%)

Footfall up +0.7% (2018: +1%)

Footfall increased to over 110 million

Tenant sales up +4.8% (2018: +1%)

Occupancy cost ratio 13.4% (2018: 13.6%)

Like-for-like NRI growth was +3.3%

WALT by GLA of 4.65 years (2018: 4.81 years)

Directors

Hadley Dean (chief executive officer), Jacek Bagiński (chief financial officer),
 Robert Weisz* (Chairman), Marek Belka* Maciej Dyjas**, Dionne Ellerrine*,
 Andrea Steer*, Marc Wainer**, James Templeton*, Pieter Prinsloo**, Taco de Groot*

* Independent non-executive

** Non-executive



FINANCIAL RESULTS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2019

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details. The full announcement is available on the JSE website at <https://senspdf.jse.co.za/documents/2020/jse/isse/EPPE/Annuals19.pdf> and on the company's website at <https://www.epp-poland.com/s,91,financial-statements.html>. Copies of the full announcement may also be requested at the company's registered office and at the office of the sponsor, Java Capital (6A Sandown Valley Crescent, Sandown, Sandton, 2196), at no charge, during office hours from Thursday, 12 March 2020 to 19 March 2020. Any investment decision should be based on the full announcement published on SENS and on the company's website.

EPP is one of the leading owners of retail space in Poland. As at 31 December 2019, the company manages a portfolio of 25 retail centres and six high-quality offices located in the majority of regional cities in Poland. In addition to these income-generating properties, EPP owns the Towarowa 22 development in Warsaw. The flagship Warsaw development Galeria Młociny successfully opened in May 2019. By the end of 2020, EPP expects to own 29 shopping centres within a 30-minute drive of 40% of Poland's wealthiest population.

The company successfully raised new equity of €90 million from an oversubscribed equity raise. The equity was used for the funding of acquisitions for the year. The net operating profit for the year amounted to €132.5 million (2018: €125.8 million) and distributable income totalled €105.5 million (2018: €96.3 million). Net asset value ("NAV") amounted to €1 196 million (2018: €1 118 million) equating to a NAV per share of €1.32 cents (2018: €1.35 cents per share). The net loan-to-value ratio as of 31 December 2019 was 50% (2018: 51.9%).

PROSPECTS

EPP holds a dominant portfolio of quality assets which is expected to perform better than the market in general, and net operating income to grow on a like for like basis. However, management is cognisant that the recent emergence of the COVID-19 virus globally, and especially in Poland and Central Europe over the last couple of days, may temporarily impact the properties, and therefore no guidance can be provided until the situation stabilises and can be properly assessed. Once the company is confident that the risk is adequately assessed it will provide an update to the market.

		31 December 2019	31 December 2018	Variance €	% change
Rental income and recoveries*	€'000	163 633	157 506	6 127	3.9%
Net property income	€'000	148 100	142 674	5 426	3.8%
Net operating profit	€'000	132 576	125 817	6 759	5.4%
Profit from operations	€'000	131 836	143 290	(11 454)	(8.0%)
Profit for the period	€'000	66 165	124 165	(58 000)	(46.7%)
Distributable earnings	€'000	105 525	96 278	9 247	9.6%
HEPS**	€ cents per share	6.92	10.82	(4)	(36.0%)
EPS	€ cents per share	7.5	15.4	(8)	(51.2%)
Dividend	€ cents per share	11.62	11.6	-	0.2%
Net LTV	%	50.0%	51.9%	-	1.9 pp

* Rental income includes €729 000 of straight-line rental income accrual in 2019.

** Calculated based on actual number of shares in issue as at 31 December 2019 and 31 December 2018, respectively.

DIVIDEND

EPP's dividend policy states that the company intends to declare 100% of its distributable income to shareholders. The company intends declaring half-yearly dividends, which are expected to be declared for the periods ended 30 June and 31 December of the relevant year. No assurance can be made that dividends will be proposed or declared in any given year.

The EPP board of directors (the "board") has declared an interim dividend of €5.82000 cents per ordinary share for the six months ended 31 December 2019. A further announcement informing shareholders of the salient dates and tax treatment of the dividend will be released in due course.

AUDIT OPINION

The auditors, EY, have issued their unmodified opinion, which includes disclosures on key audit matters, on the annual financial statements for the year ended 31 December 2019 and a copy of the audit opinion together with their underlying audited annual financial statements are available for inspection at the company's registered office and on EPP's website at <https://www.epp-poland.com/s,128,annual-reports.html>.